

INTELLIGENCE 23

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CENTRAL INTELLIGENCE GROUP
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COUNTRY China

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SUBJECT Economic Information

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SUPPLEMENT

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ORIGIN

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1. Before the outbreak of the Pacific War there were not very many goods imported from the United States to Tientsin with the exception of American flour, kerosene, gasoline, and American-made automobiles. At that time most woolen goods sold in Tientsin were imported from England because of their superior quality and cheaper cost. Most dyestuffs were shipped to Tientsin from Germany. However, since V-J Day almost the entire Tientsin foreign goods market has been dominated by U.S. goods. Despite this advantageous position of U.S. trade in Tientsin, American exporters have a very poor reputation here. Chinese importers have been complaining that American exporters are even worse than Japanese in breaking contracts, delaying delivery of goods, and supplying goods of inferior quality.
2. Tientsin Chinese importers still have a great respect for British exporters despite the small quantity of British goods in Tientsin now. The United Kingdom Trade Mission came here for the purpose of trying to restore Sino-British trade to pre-war status. If American exporters do not improve their way of doing business, their present good position in Tientsin may be taken over by the British.
3. There is a great demand in the Tientsin market for flour, timber, paper, planking and dyestuffs, but up to the present very small quantities of American flour and practically no American dyestuffs, timber, and paper have been imported to Tientsin. (Canadian flour is being imported to Tientsin in fairly large quantities.) Machinery and hardware have been imported in small quantities but are hard to sell because most factories and industries in North China have not yet been restored. Luxury articles are not particularly welcome.
4. The Soviets have set up an office in Tientsin to improve Chinese-Russian trade. Russian timber and paper are expected in Tientsin soon. There is a sufficient amount of soy beans in the Northeast to be exported from Yingkou (122-13,40-40) if sea transportation becomes available.
5. At present Tientsin also has trade with other European countries. Small amounts of paper and matches are imported from Sweden, water pumping machinery from Holland, electrical supplies from Belgium, and piece goods from France. However, all business being done with these nations is on a small scale.

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6. With regard to Tientsin's exports, except for bristles and casings, very few things can be exported because of confused communications and the high cost of materials. For instance, no wool, furs, walnut mounts and seeds are exported because of poor storage, high cost of materials, and the high wages of laborers. No raw cotton can be exported from Tientsin because the area is not even self-sufficient. Egg products cannot be exported because United States customs tax is too high. No straw braid is exported because the civil war makes the material hard to obtain from Shantung Province. Only very small quantities of Tientsin hand-made rugs and carpets are shipped to the United States, because of the high cost of labor.

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